

FINANCIAL REVIEW CONTINUED

ADJUSTED EBIT AND OPERATING PROFIT

As a result of the items noted above, Adjusted EBIT was £149.7 million, an increase of £15.0 million, +11% on the prior year.

After accounting for exceptional costs of £55.5 million and IFRS 16 adjustments of £19.7 million, operating profit as presented on the face of the Consolidated Income Statement was £113.9 million, a decrease of 5% on the prior year.

FINANCE COSTS

Net finance costs (£million)	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024
Pre-IFRS 16 net finance costs, excluding exceptionals	13.6	5.8
IFRS 16 interest on lease liabilities	22.2	20.8
Total net finance costs, excluding exceptionals	35.8	26.6

Interest payable on borrowings increased in the period, reflecting the new facilities drawn down to fund the Roberto Coin Inc. acquisition, together with the annualisation of borrowing to fund the acquisition of 15 showrooms from Ernest Jones in the prior year. The impact was a net increase in the pre-IFRS 16 interest charge of £7.8 million to £13.6 million. The IFRS 16 interest on lease liabilities increased by £1.4 million due to recent additions to the lease portfolio as we continue to invest in showroom portfolio expansion.

Details of a further £2.2 million of exceptional finance costs are given in note 4 of the Consolidated Financial Statements.

TAXATION

The pre-IFRS 16 Effective Tax Rate (ETR) for the period before exceptional items was 27.8%. The statutory (post-IFRS 16 and including exceptionals) effective tax rate was 29.1%.

This is higher than the applicable UK corporation tax rate for the year of 25.0% as a result of higher chargeable taxes on US profits, the impact of expenses disallowed for corporation tax, and non-recognition of deferred taxes in Europe. The impact of the US rate differential is lower than the prior year impact due to the mix of revenue between states. The impact of the non-recognition of deferred taxes in Europe has also reduced year-on-year due to the lower activity in these countries following our announced exit from Europe.

Full detail can be found in note 8 within the Consolidated Financial Statements.

BALANCE SHEET

Balance Sheet (£million)	27 April 2025	28 April 2024
Goodwill and intangibles	304.1	215.7
Investment in joint venture and associates	0.5	–
Property, plant and equipment	192.4	191.4
Right-of-use assets	358.6	381.8
Inventories	447.4	393.3
Trade and other receivables	60.5	24.6
Trade and other payables	(259.5)	(216.5)
Lease liabilities	(454.6)	(460.4)
Net (debt)/cash ¹	(96.2)	0.7
Other	(13.6)	(7.6)
Net assets	539.6	523.0

Goodwill and intangibles increased by £88.4 million as a result of the Roberto Coin Inc. and the Hodinkee business acquisitions in the year which gave rise to £98.1 million of goodwill and intangibles, offset by £1.1 million amortisation of brands and agency agreement, and a £9.8 million adverse exchange impact. The most significant intangible asset recognised on acquisition is £57.2 million for the supply agreement licence with Roberto Coin S.p.A. which is non-amortising as it extends into perpetuity. A further £3.6 million of computer software additions were made in the year as part of ongoing IT developments, offset by amortisation of £2.2 million and disposals of £0.2 million.

Property, plant and equipment increased by £1.0 million in the year. Additions of £69.0 million were offset by depreciation of £40.8 million, impairments of £19.7 million, and loss on disposal and foreign exchange movements of £7.5 million.

Including software costs, which are disclosed as intangibles, capital additions (including accruals) were £71.6 million in the year, of which £68.8 million was expansionary. Expansionary capex relates to new showrooms, relocations or major refurbishments (defined as costing over £0.25 million). In the year, the Group opened four new showrooms and refurbished 11 showrooms. Investment in our portfolio is paramount to our strategy and the Group follows a disciplined payback policy when making capital investment decisions.

Right-of-use assets decreased by £23.2 million in the year, to £358.6 million. Additions to the lease portfolio along with lease renewals or other lease changes were £69.5 million. This has been offset by depreciation of £56.5 million and impairments of £26.8 million. The remaining movement is a £9.4 million adverse foreign exchange impact.

Lease liabilities decreased by £5.8 million in the year. The portfolio changes noted above increased the lease liability by £61.6 million. Interest charged on the lease liability was £24.4 million and there was a £11.2 million favourable foreign exchange impact. Lease payments were £80.6 million, giving a final lease liability balance of £454.6 million.

Inventory levels increased by £54.1 million (14%) compared to the prior year. £53.9 million of inventory was acquired as part of the Roberto Coin Inc. acquisition, and the Group increased pre-owned watches and Rolex Certified Pre-Owned volume by £13.3 million. This has been offset through a reduction in underlying inventory to maintain stock turn at appropriate levels. The inventory obsolescence risk remains low for the Group.

Trade and other receivables increased by £35.9 million compared to FY24. Notable reasons for the increase being: £18.3 million of wholesale trade receivables under Roberto Coin Inc.; £8.8 million held in escrow in relation to business combinations (see note 25 of the Consolidated Financial Statements); investment into the joint venture; and invoices raised for Hodinkee advertising revenue at the period end. The balance also represents prepayments, rebate receivables, rent deposits and other ad hoc receivables such as property contributions.

Trade and other payables increased by £43.0 million. Notable reasons for the increase being: £10.9 million of trade payables and £18.2 million of other payables (including deposits taken and the sales return provision) under Roberto Coin Inc.; £8.8 million held in escrow; and £7.9 million of deferred consideration payable in relation to business combinations (see note 25 of the Consolidated Financial Statements).

Other includes taxation balances, defined benefit pension and capitalised finance costs.

NET CASH/DEBT AND FINANCING

Net debt on 27 April 2025 was £96.2 million, an increase of £96.9 million since 28 April 2024. The strong free cash flow of £97.8 million being utilised for £72.6 million of expansionary capex, £106.9 million relating to the Roberto Coin Inc. and the Hodinkee business acquisitions and £11.3 million for the purchase of own shares as part of the share buyback programme.

Net debt post-IFRS 16 was £548.5 million. The value comprises the pre-IFRS 16 net debt of £96.2 million and the £454.6 million lease liability, offset by capitalised transaction costs of £2.3 million. The balance increased by £90.5 million (from £458.0 million) in the period, principally driven by the acquisition spend.

The Group's maximum amount available under its committed facility was £368.9 million at 27 April 2025.

Facilities held	Expiring	Amount (million)
Multicurrency revolving loan facility – UK SONIA +1.50% to +2.55%	May 2028	£275.0
Multicurrency term facility – UK SONIA +1.65% to +2.70%	May 2028	\$125.0

On 13 December 2024, the Group refinanced and repaid its \$115.0 million term loan facility which was originally taken out to finance the Roberto Coin Inc. acquisition with a new £150.0 million facility (comprising a £100.0 million term loan and an incremental £50.0 million revolving loan facility). The £100.0 million was drawn down on 13 December 2024 as \$125.0 million and no further drawdown on the £100.0 million is permitted. The new facilities run coterminously with the existing UK bank facility of £225.0 million.

£195.1 million of these facilities were drawn down at 27 April 2025. Liquidity headroom (defined as unrestricted cash plus undrawn available facilities) was £253.5 million. Further detail with regards to covenant tests and liquidity headroom can be found in borrowings note 19 within the Consolidated Financial Statements.

CASH FLOW

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024
Cash flow (£million)		
Adjusted EBITDA	192.3	178.9
Share-based payments	1.8	2.1
Share of loss of joint venture and associates	0.2	—
Working capital	(52.2)	(20.3)
Pension contributions	(0.7)	(0.7)
Tax	(29.7)	(33.5)
Cash generated from operating activities	111.7	126.5
Maintenance capex	(2.8)	(2.7)
Net interest	(11.1)	(6.2)
Free cash flow¹	97.8	117.6
Free cash flow conversion¹	51%	66%
Expansionary capex	(72.6)	(78.0)
Acquisitions	(106.9)	(44.2)
Investment in joint venture and associates	(0.7)	—
Purchase of own shares for employee incentive schemes	—	(7.2)
Share buyback	(11.3)	—
Refinancing costs	(1.5)	(2.2)
Disposal of European property, plant and equipment	2.7	—
Exceptional items – cash	(8.6)	(2.5)
Cash flow	(101.1)	(16.5)
Net proceeds/(repayment) of borrowings	85.7	(5.0)
Net decrease in cash and cash equivalents	(15.4)	(21.5)

Free cash flow decreased by £19.8 million to £97.8 million in the year to 27 April 2025 and free cash flow conversion was 51% compared to 66% in the prior year, primarily as a result of a higher working capital outflow in the period. This related to the timing of trade creditor payments and the change of payment terms from certain suppliers. Excluding the change in payment terms, free cash flow conversion would have been 71%.

Expansionary cash capex of £72.6 million was lower than the prior year due to a decrease in new showroom openings and refurbishments. In the year, the Group opened four new showrooms, and refurbished 11 showrooms.

£11.3 million of shares were purchased and paid for in the period as part of the share buyback programme. The balance of the £25 million buyback programme was completed in June 2025.

Exceptional cash items of £8.6 million, includes Rolex Old Bond Street pre-opening rent, business acquisition and integration costs, and showroom exit costs as detailed in note 4 to the Consolidated Financial Statements.

**CONSOLIDATED INCOME STATEMENT
FOR THE 52 WEEKS ENDED 27 APRIL 2025**

	Note	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Revenue	2, 3	1,651.5	1,537.9
Cost of sales		(1,438.3)	(1,348.5)
Exceptional cost of sales	4	(2.0)	0.5
GROSS PROFIT		211.2	189.9
Administrative expenses		(43.6)	(37.5)
Exceptional impairment of assets	4	(46.5)	(26.2)
Exceptional other administrative expenses	4	(7.0)	(6.2)
Share of loss of joint venture and associates	11	(0.2)	–
OPERATING PROFIT		113.9	120.0
Finance costs	7	(38.1)	(29.5)
Finance income	7	2.3	2.9
Exceptional finance costs	4, 7	(2.2)	(1.3)
NET FINANCE COST		(38.0)	(27.9)
Profit before taxation		75.9	92.1
Taxation	8	(22.1)	(33.0)
Profit for the financial period		53.8	59.1
EARNINGS PER SHARE			
Basic	9	22.8p	25.0p
Diluted	9	22.7p	24.8p

The notes on pages 227 to 263 are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 52 WEEKS ENDED 27 APRIL 2025

Note	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Profit for the financial period	53.8	59.1
Other comprehensive (expense)/income:		
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS		
Foreign exchange (loss)/gain on translation of foreign operations	(15.2)	1.7
Related current tax movements	8 1.1	(0.1)
	(14.1)	1.6
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		
Actuarial movements on defined benefit pension scheme	20 0.1	(0.9)
Related deferred tax movements	8 –	0.2
	0.1	(0.7)
Other comprehensive (expense)/income for the period	(14.0)	0.9
Total comprehensive income for the period	39.8	60.0

The notes on pages 227 to 263 are an integral part of these Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEET
AS AT 27 APRIL 2025

	Note	27 April 2025 €m	28 April 2024 €m
ASSETS			
NON-CURRENT ASSETS			
Goodwill	10	231.2	199.3
Intangible assets	10	72.9	16.4
Property, plant and equipment	12	192.4	191.4
Right-of-use assets	13	358.6	381.8
Investment in joint venture and associates	11	0.5	–
Deferred tax assets	8	4.1	0.4
Post-employment benefit asset	20	0.5	–
Trade and other receivables	14	4.5	2.1
		864.7	791.4
CURRENT ASSETS			
Inventories	15	447.4	393.3
Current tax asset		8.6	4.5
Trade and other receivables	14	56.0	22.5
Cash and cash equivalents	16	98.9	115.7
		610.9	536.0
Total assets		1,475.6	1,327.4
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	(254.9)	(215.4)
Current tax liability		(0.5)	–
Lease liabilities	13	(56.0)	(57.0)
Provisions	18	(2.4)	(1.9)
		(313.8)	(274.3)
NON-CURRENT LIABILITIES			
Trade and other payables	17	(4.6)	(1.1)
Deferred tax liabilities	8	(15.9)	(3.4)
Lease liabilities	13	(398.6)	(403.4)
Borrowings	19	(192.8)	(113.3)
Post-employment benefit obligations	20	–	(0.2)
Provisions	18	(10.3)	(8.7)
		(622.2)	(530.1)
Total liabilities		(936.0)	(804.4)
Net assets		539.6	523.0
EQUITY			
Share capital	21	3.0	3.0
Share premium	21	147.1	147.1
Merger reserve	21	(2.2)	(2.2)
Other reserves	21	(13.3)	(23.4)
Retained earnings	21	414.7	394.1
Foreign exchange reserve	21	(9.7)	4.4
Total equity		539.6	523.0

The notes on pages 227 to 263 are an integral part of these Consolidated Financial Statements.

The Consolidated Financial Statements were approved and authorised for issue by the Board and were signed on its behalf by:

L A ROMBERG
CHIEF FINANCIAL OFFICER
Date: 2 July 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 27 APRIL 2025

	Share capital £m	Share premium £m	Merger reserve £m	Other reserves £m	Retained earnings £m	Foreign exchange reserve £m	Total equity attributable to owners £m
Balance at 30 April 2023	3.0	147.1	(2.2)	(18.4)	337.0	2.8	469.3
Profit for the financial period	–	–	–	–	59.1	–	59.1
Other comprehensive income, net of tax	–	–	–	–	(0.7)	1.6	0.9
Total comprehensive income	–	–	–	–	58.4	1.6	60.0
Purchase of own shares for share schemes	–	–	–	(7.2)	–	–	(7.2)
Share-based payment charge (note 22)	–	–	–	–	2.1	–	2.1
Share-based payments exercised	–	–	–	2.2	(2.2)	–	–
Tax on items credited to equity	–	–	–	–	(1.1)	–	(1.1)
Tax on vested shares moved to current tax	–	–	–	–	(0.1)	–	(0.1)
Total other transactions	–	–	–	(5.0)	(1.3)	–	(6.3)
Balance at 28 April 2024	3.0	147.1	(2.2)	(23.4)	394.1	4.4	523.0
Profit for the financial period	–	–	–	–	53.8	–	53.8
Other comprehensive income, net of tax	–	–	–	–	0.1	(14.1)	(14.0)
Total comprehensive income	–	–	–	–	53.9	(14.1)	39.8
Purchase of own shares for cancellation (note 21)	–	–	–	(12.1)	–	–	(12.1)
Own shares cancelled (note 21)	–	–	–	11.3	(11.3)	–	–
Committed share buyback	–	–	–	–	(12.9)	–	(12.9)
Share-based payment charge (note 22)	–	–	–	–	1.8	–	1.8
Share-based payments exercised	–	–	–	10.9	(10.9)	–	–
Tax on items credited to equity	–	–	–	–	0.4	–	0.4
Tax on vested shares moved to current tax	–	–	–	–	(0.4)	–	(0.4)
Total other transactions	–	–	–	10.1	(33.3)	–	(23.2)
Balance at 27 April 2025	3.0	147.1	(2.2)	(13.3)	414.7	(9.7)	539.6

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 52 WEEKS ENDED 27 APRIL 2025**

Note	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	53.8	59.1
Adjustments for:		
Depreciation of property, plant and equipment	12 40.8	39.7
Depreciation of right-of-use assets	13 54.5	54.8
Depreciation of right-of-use assets – exceptional items (note 4)	13 2.0	1.2
Amortisation of intangible assets	10 3.3	3.6
Impairment of right-of-use assets – exceptional items (note 4)	13 26.8	16.4
Impairment of property, plant and equipment – exceptional items (note 4)	12 19.7	9.8
Loss on disposal of property, plant and equipment	12 0.2	1.1
Loss on disposal of property, plant and equipment – exceptional items (note 4)	12 0.6	–
Loss on disposal of intangibles	10 0.2	–
Gain on lease modifications and disposals	13 (5.5)	(0.8)
Share-based payment charge	22 1.8	2.1
Share of loss of joint venture and associates	11 0.2	–
Finance income	7 (2.3)	(2.9)
Finance costs	7 38.1	29.5
Finance costs – exceptional items (note 4)	7 2.2	1.3
Taxation	8 22.1	33.0
Increase in inventory	(13.3)	(11.3)
Increase in debtors	(18.2)	(4.4)
Decrease in creditors, provisions and pensions	(12.9)	(6.7)
Cash generated from operations	214.1	225.5
Pension scheme contributions	20 (0.7)	(0.7)
Tax paid	(29.7)	(33.5)
Total net cash generated from operating activities	183.7	191.3
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of non-current assets:		
Property, plant and equipment additions	12 (68.0)	(81.6)
Intangible asset additions	10 (3.6)	(2.4)
Movement on capital expenditure accrual	(3.8)	4.1
Cash outflow from purchase of non-current assets	(75.4)	(79.9)
Interest received	2.3	3.0
Investment in joint venture and associates	(0.7)	–
Disposal of European property, plant and equipment	12 2.7	–
Acquisition of subsidiaries net of cash acquired	25 (106.9)	(44.2)
Total net cash outflow from investing activities	(178.0)	(121.1)
CASH FLOWS FROM FINANCING ACTIVITIES		
Purchase of own shares for share schemes	–	(7.2)
Purchase of own shares for cancellation	21 (11.3)	–
Proceeds/(repayment) of term loan	19 99.5	(120.0)
Net movement on multicurrency revolving loan facility	19 (13.8)	115.0
Costs directly attributable to raising new loan facility	19 (1.5)	(2.2)
Payment of capital element of leases	13 (56.2)	(46.0)
Payment of interest element of leases	13 (24.4)	(22.1)
Interest paid	(13.4)	(9.2)
Net cash outflow from financing activities	(21.1)	(91.7)
Net decrease in cash and cash equivalents	(15.4)	(21.5)
Cash and cash equivalents at the beginning of the period	115.7	136.4
Exchange (losses)/gains on cash and cash equivalents	(1.4)	0.8
Cash and cash equivalents at the end of period	98.9	115.7
Comprised of:		
Cash at bank and in hand	16 80.4	93.8
Cash in transit	16 18.5	21.9
Cash and cash equivalents at end of period	98.9	115.7